

NEWS RELEASE

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SOUTHERN DISTRICT OF ILLINOIS**

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For Immediate Release

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Ronald J. Tenpas, United States Attorney for the Southern District of Illinois, announced today that on November 1, 2005, **DARLENE ARMSTRONG**, age 36, of Belleville, Illinois, pled guilty to Count One of an Indictment that charged her with mail fraud, in violation of Title 18, United States Code, Section 1341.

DARLENE ARMSTRONG signed a plea agreement and stipulation of facts, admitting the following facts: During 2002, 2003, and 2004, Darlene Armstrong was employed by the Collinsville Metropolitan Exposition Authority & Office Building Authority, commonly known as the Gateway Convention Center ("Gateway"). During 2003-04, Armstrong's job title at Gateway was the "Director of Finance." Armstrong's job duties at Gateway included the collection and deposit of the cash proceeds of expositions and shows held at Gateway, as well as some discretionary control over Gateway's spending and check writing activities. At Gateway, Defendant was required to periodically calculate, report, and make accurate representations about Gateway's revenue, obligations, extraordinary expenses, and financial condition to Gateway's Board members, Finance Committee, and employees. Regarding these memoranda, Defendant admitted that she had the primary and practically exclusive responsibility to prepare these documents, thereby controlling the flow of information regarding GCC's finances to the Board.

DARLENE ARMSTRONG further admitted that during her employment with Gateway, she used her job position to secretly steal the cash proceeds of Gateway conventions. Instead of depositing the cash proceeds from shows that were the property of Gateway, the Defendant admitted that she took all or part of such proceeds without authorization, and spent those cash proceeds on personal items, such as luxury automobiles like a 2002 Cadillac Escalade, 2003 Ford Thunderbird convertible, and a 2000 Lexus RX 330 sport utility vehicle, as well as a 2004 Suzuki motorcycle, three all terrain vehicles, three flat or plasma screen televisions, and other items. Much of the property discussed above was purchased by the Defendant during or shortly after multi-day shows and expositions held at Gateway that generated large cash ticket proceeds.

Specifically, **DARLENE ARMSTRONG** admitted that not including trade-in values, Armstrong spent \$42,738.76 with cash and checks on car purchases in 2003 and \$99,749.42 on car purchases in 2004. Armstrong's annual salary from Gateway in 2003 and 2004 was approximately \$32,000. Armstrong's husband was unemployed for significant portions of 2003 and 2004. Further, Defendant admitted that she wrote herself unauthorized checks on Gateway's checking accounts by forging the signatures of the Gateway employees or Board

members who actually had authority to sign and disburse such funds, and again used the proceeds of those funds for spending on personal items. The Defendant admitted that the total amount of stolen funds she took from Gateway as cash or unauthorized checks exceeds \$200,000.

DARLENE ARMSTRONG also admitted that she made false and fraudulent representations regarding Gateway's revenue, obligations, extraordinary expenses, and financial condition in multiple Memoranda that she prepared and mailed, via United States Postal Service, to Gateway Board members and employees, including but not limited to a Memorandum dated on or about February 12, 2004. In that February 12, 2004 memorandum and other memoranda, the revenue and obligation numbers listed are incorrect and false, and the memoranda fail to report the significant and extraordinary amounts of money that **DARLENE ARMSTRONG** was taking from Gateway. The Defendant made the false and fraudulent representations in the memoranda because she did not want the Board members and other employees of Gateway to discover her thefts.

Sentencing is set for January 31, 2005 at 9:00 a.m. The case is being handled by Asst. United States Attorney Andrew J. Lay, and was investigated by the Federal Bureau of Investigation and the Collinsville Police Department.